

March 9, 2005

Stephen Deyo
Permitting Supervisor
Clark County Department of Air Quality and Environmental Management
500 S. Grand Central Pky
P.O. Box 551776
Las Vegas, Nevada 89155

Re: Proposed Title V Permit Renewal for PABCO Gypsum

Dear Mr. Deyo:

Thank you for the opportunity to review the proposed title V permit renewal for PABCO Building Products, which we received on January 24, 2005. In accordance with 40 CFR §70.8(c), and DAQEM's approved title V program, the EPA has reviewed the proposed permit during our 45-day review period.

In our enclosed comments, we request changes in the final permit regarding source test frequency and permit content regarding Compliance Assurance Monitoring (CAM). If you have any questions, please contact me or Roger Kohn of my staff at (415) 972-3973 or kohn.roger@epa.gov.

Sincerely,

/ s /

Gerardo C. Rios
Chief, Permits Office

Enclosure

cc: Sergio Mazzocato, PABCO Gypsum

EPA Region 9 Comments
Proposed Title V Permit Renewal
PABCO Gypsum

1. The proposed permit contains inadequate monitoring for the NO_x and CO emissions from the impeller mills and Coe board dryer, which fire on turbine exhaust from the colocated Nevada Cogeneration Associates #2 facility. These emission units together have a potential to emit (PTE) of approximately 102 tons per year (tpy) NO_x and 298 tpy of carbon monoxide (CO). Despite the fact that these PTE levels constitute a major source on their own and represent approximately 45% of the facility-wide NO_x PTE and 91% of the CO PTE, the proposed permit only requires performance testing once per five year permit term (condition II.D-5). After discussions with Region 9, DAQEM has agreed to require that annual testing in the final permit. The final permit should not be issued without this requirement.
2. We have these observations about the CAM content of the proposed permit:
 - a. In several places throughout the proposed permit, the indicator range required by CAM for baghouses used to control particulate emissions from emissions units subject to CAM is the pressure drop “specified in the manufacturer’s O&M guidelines.” Part 64 requires that title V permit applicants propose indicator ranges in the CAM plans submitted with their permit applications [§64.3(a)(2)], and that permitting authorities include indicator ranges in the final permit. The lack of indicator ranges in the proposed permit make the CAM monitoring not enforceable as a practical matter, and defeats the purpose of CAM by not allowing DAQEM and PABCO to detect the long-term loss of control efficiency in the baghouses. DAQEM must add indicator ranges to the final permit for baghouses controlling emission units subject to CAM.
 - b. The proposed permit does not define excursions or exceedances, as Part 64 requires [§ 64.6(c)(2)]. The permit does contain conditions that state that three excursions in a quarterly reporting period trigger the Quality Improvement Plan provisions of CAM, but these conditions are meaningless without a definition of excursion. Furthermore, CAM requires that the semi-annual monitoring reports required by Part 70 contain a “summary information on the number, duration and cause (including unknown cause, if applicable) of excursions or exceedances, as applicable, and the corrective actions taken” [§ 64.9(a)(2)(i)]. This cannot occur if these events are not defined. DAQEM should define excursions in condition II.D-8.c. and the “Monitoring Approach” sections of the permit, and revise the quarterly monitoring reporting condition II.E-10 to specifically require the inclusion of the summary information required by CAM.
 - c. The formatting of the CAM requirements in the permit (which are repeated in the Technical Support Document) appear to be based on case study

examples from the CAM Technical Guidance document posted on EPA's website. However, EPA's examples are intended to provide guidance to sources on the approach and content of the CAM plans that must be submitted with title V permit applications, not to permitting authorities on the inclusion of CAM requirements in the permit. The "justification" sections of the CAM monitoring are important parts of the administrative record and are appropriately included in the TSD. However, since they are not requirements that apply to the source, these sections should be removed from the permit.

3. To improve the clarity of the annual compliance certification requirement in condition 9 in Part I of the permit, DAQEM may want to state that the compliance certification due on January 30 of each year covers the previous calendar year.